

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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SECURITY INFORMATION

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COUNTRY	USSR (Lithuanian SSR)	REPORT NO.	<input type="text"/>
SUBJECT	Prices and Industry in Klaipeda	DATE DISTR.	7 Aug. 1953
DATE OF INFO.	<input type="text"/>	NO. OF PAGES	4
PLACE ACQUIRED	<input type="text"/>	REFERENCE NO.	RD
		REFERENCES	<input type="text"/>

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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(FOR KEY SEE REVERSE)

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SOURCE:

Marketing and Blackmarketing

1. Examples of prices in the Klaipeda area of the Lithuanian SSR include the following:

<u>Product</u>	<u>Unit</u>	<u>Prices (rubles)</u>
Rye	50 kg	250
Potatoes	50 kg	50
Butter	kg	54 to 64 ¹
Bread (rye)	kg	2.85
Bread (white)	kg	3.10
Sugar	kg	10.50
Sugar (lump)	kg	12
Pork	kg	25 to 30
Beef	kg	12 to 17
Sausage	kg	5 to 75
Pig (suckling)	1	45 to 75
Pig (weight: 75 kg)	1	500 to 600
Pig (weight: 150 kg)	1	1,700 to 1,800
Chicken	1	5 to 10
Cigarettes (Dubysa)	25	0.90
Cigarettes (Belami)	/unstated/	3.50
Cigarettes (Prima)	10	0.75
Tobacco (Makhorka)	50 gr	0.90
Whisky	liter	45
Whisky (Kristal)	liter	65

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Product	Unit	Prices
Champagne	bottle	45
Vodka	bottle	45
Beer	1 liter	2.50
Beer (strong)	1 liter	4.10
Cotton material	meter	12 to 25
Men's socks	pair	5.75 to 16
*Women's stockings (domestic)	pair	12, 18, and 25
Women's stockings (imported)	pair	69
Men's underwear (cheapest quality)		75
Women's underwear (cheapest quality)		140
Polo shirt	1	80 to 120
Men's sport shirt	1	75
Shoes (canvas)	pair	75
Shoes (leather)	pair	250 to 700
Suit	1	from 500 up
Suit (better quality)	1	1,800 to 2,500
Overcoat	1	856 to 900
Tie	1	25
Briquettes	1 ton	250
Firewood (poor quality)	cubic meter	80
Putty	piece	5
Enamel bucket	1	45
Motorcycle	1	6,500
Taxi (Pobeda)	1	18,000
Automobile (Moskvich, 4-seater)	1	6,800

*Manufactured in Klaipeda at the Ausra Factory on Palangos Street.

2. Market days in Klaipeda are Wednesdays and Saturdays. Dealers in the market are the small farmers and the kolkhozniki. These groups have to sell on the market, because otherwise they would be unable to pay their taxes. Such sales are not considered as blackmarketing. Prices in the shops are the same as those in the market on a given day. This is true even though the shops receive their goods at government-fixed prices, which are about ten percent (sic) of market prices. The kolkhozniki drive to market in wagons. Dealers wanting to sell goods on the market obtain a permit from the police for ten rubles. For private individuals the permit is cheaper.
3. A great variety of goods is sold on the market. Such goods include poultry, potatoes, grain, hay, bacon, sausages and other meats, butter, eggs, cabbage, apples, and large quantities of sunflower seeds. Other items include old clothing and shoes, old iron, keys, nails, etc. Spare parts for cycles and instruments and parts for machines and tools can be purchased only on the market. Russian black-marketeers sell butter and apples. The butter is brought from Silute, where it is about five rubles cheaper. Fruit in Lithuania is much more expensive than it is in non-Baltic republics; apples are about ten times cheaper in the latter. Sometimes potatoes and grain are confiscated on the market, and the owners are paid government-fixed prices for them.
4. From about November 1945 to the time in 1947 when the currency was changed, shops in Klaipeda were empty. When rationing was ended after the currency change, all shops became overloaded with goods. The goods came from other parts of Lithuania, Estonia, Latvia, and other republics. Prices were in no way in comparison with wages that many persons were forced to go begging. Others sought work in Russian or Lithuanian households, where they were paid in food.

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5. In Klaipeda, signboards in Russian are predominant because the city is overcrowded with Russian military forces and civilians. Lithuanian signs predominate in Vilnius because it is the seat of government. Shopwindows are decorated with portraits of Stalin and Lenin and contain samples of almost all the goods sold in the store. Everything looks normal, except that, according to source, the decorating is done by employees who have no taste. Among goods imported into Lithuania are shoes, cloth, pumpkins, and lemons. Practically the only watches available in the shops are of German manufacture, from the Junghans firm and others. There are also German BMW cars and motorcycles. Enamel crockery is very expensive and the average worker cannot afford it. The supply of tobacco and cigarettes is ample.
6. The best cloth is made in Latvia, but the shops in Klaipeda do not sell it. It is sold in other parts of Lithuania for double the usual price and is a desirable blackmarket commodity. The clothing materials which can be bought are of Latvian or Lithuanian manufacture. The people still wear their old clothes, which are still good and of which they take good care. In summer, people generally wear canvas shoes; in winter, more leather shoes are worn. Most people wear caps, though hats are also frequently seen. Ties are also worn. Even when local inhabitants can afford to buy better clothing, they are afraid to because they might be suspected of being wealthy.

Industry

7. The following recently constructed Klaipeda factories are in operation: CVK cellulose factory, sawmill behind the cellulose factory, match factory, Gulbe textile factory, and the Union factory. The veneer factory, the candy factory opposite the former Johannes church, and the Zuvis factory near the fishing harbor have been rebuilt and are now in operation. Also in operation are the new power plant with steel chimneys and six turbines (Siemens type, made in Kaliningrad and Tilsit) and the water works. As of 1948, the directors of the Klaipeda Electricity and City Enterprises (Klaipedos Elektros bei Miesto Imones) were Benusis (fnu) and Bluidzius (fnu).
8. Sometimes there is a lack of raw materials for the factories. For example, the candy factory is sometimes closed for two to three weeks because of a lack of sugar, or the textile factory may be closed for several days because of a lack of thread (sic). Most of the finished products are sold on the local market, although candy and canned fish are exported to Latvia and non-Baltic republics. A great deal of wood is being cut in the Lithuanian SSR, but source does not know where it is being delivered. The large-scale cutting is proving harmful, and sand dunes are now visible from the highway between Klaipeda and Giruliai (55-46N, 21-05E), where once there was a forest. However, source does not believe that the intent of the program is to devastate the country.
9. In 1945, earning a living was a great problem, as almost all the factories were still closed. Employment possibilities were to be found only in the Klaipeda power plant, which remained in operation, and the fishing industry. At the present time in Klaipeda, a street sweeper earns 200 rubles, an average worker earns 300 to 400 rubles, and a good specialist earns up to 700 rubles per month. Source worked eight hours a day plus overtime and received about 600 rubles per month. The following amounts were deducted from his salary: one-half percent for income tax, 60 rubles for government loan, and eight rubles for trade-union dues. Source worked five kilometers from his home and his travel expenses for going by bus and train from Giruliai to Klaipeda amounted to 120 rubles per month. The average worker earns so little that blackmarketeering pays much better. According to source, a person would have to earn 2,000 rubles a month in order to live decently in Lithuania.
10. Salaries are never paid on time. This is especially true of those concerns like the shipyards which have no income of their own and which must pay all their expenses from sums assigned to them by the bank. These sums are not sufficient to cover expenses and often are not made available on time. Instead of his salary,

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the average worker receives advances of 50 to 100 rubles and frequently has to wait two to three months for full payment. The result is that such workers are forced to look for odd jobs or for illegal work (often thieving), for which they ask high pay.

11. Workers who are late for work are not severely punished. Only when a person is late on three occasions is he in danger of punishment. Only in municipal enterprises, where the workers' arrival is checked, are warnings given and a certain amount deducted from wages for tardiness.

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Comments:

1. These figures are much higher than those given for butter in previous reports. A more likely figure is 25 to 35 rubles per kilogram.

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2. The Union Factory produces aircraft parts.

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